

MINUTES OF THE REGULAR MEETING

OF THE

COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY

March 20, 2001

The Commissioners of the Chicago Housing Authority met in regular session on Tuesday, March 20, 2001 at 8:30 a.m. at the LeClaire Hearst Park District located at 5118 West 44th Street in Chicago.

The meeting was called to order by the Chairperson, and upon roll call, those present and absent were as follows:

Present:	Sharon Gist Gilliam Hallie Amey Mamie Bone Michael Darcy Rahm Emanuel Dr. Mildred Harris Andrew Mooney Sandra Young Earnest Gates
----------	---

Absent:	Leticia Peralta Davis
---------	-----------------------

Also present were Terry Peterson, Chief Executive Officer; G.A. Finch, General Counsel; Chicago Housing Authority Staff Members and the General Public.

There being a quorum present, the meeting duly convened and business was transacted as follows:

The Chairperson convened the Public Hearing portion of the meeting by inviting residents and the public at large to address the Board.

Immediately following the Public Hearing Session, Terry Peterson, Chief Executive Officer, presented his monthly report. Mr. Peterson informed the Board of his visit to Washington where he had an opportunity to meet and discuss major CHA issues with staff of HUD Secretary Mel Martinez, House Speaker Denny Hastert and Senator Peter Fitzgerald. Mr. Peterson advised the Board that the officials were encouraged by the Authority's mission since the Plan For Transformation was consistent with many of the themes of the new administration. Mr. Peterson reported that he was cautiously confident that President Bush and his new administration will continue to support the Plan for Transformation. Next, Mr. Peterson reported on the progress of work orders. According to Mr. Peterson, eighteen months ago, the Authority had a backlog of more than 40,000 work order requests. By the end of last year, the backlog was eliminated and virtually every emergency was handled within a day. Mr. Peterson concluded his report by informing the Board that for the second year in a row, the CHA's Section 8 Program had been rated a "high performer" by HUD. Indicators taken into consideration by HUD included: relocation of residents into low poverty areas, inspection of units and assisting families become self-sufficient.

A motion was then introduced and seconded to adjourn to Executive Session. The Chairperson announced that pursuant to the Open Meetings Act, 5 ILCS 120/2, the Board would adjourn for approximately one (1) hour to discuss pending, probable or imminent litigation, collective negotiating matters, security and personnel matters.

The Commissioners subsequently reconvened in Open Session whereby the departure of the Chairperson was announced, due to a conflict in her schedule. Rahm Emanuel, Vice-Chairman, thereupon introduced Item A1 discussed in Executive Session. Commissioner Darcy moved the adoption of the following resolution for Item A1.

RESOLUTION NO. 2001-CHA-36

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated March 5, 2001 requesting that the Board of Commissioners approve the Personnel Action Reports for February 2001.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the Personnel Actions for February 2001.

Motion to adopt said resolution was seconded by Commissioner Gates and the voting was as follows:

Ayes:	Hallie Amey Mamie Bone Michael Darcy Rahm Emanuel Dr. Mildred Harris Andrew Mooney Sandra Young Earnest Gates
-------	--

Nays:	None
-------	------

The Vice-Chairman thereupon declared said motion carried and said resolution adopted.

Commissioner Darcy then presented the Finance & Audit Committee report due to the absence of Committee Chairperson Leticia Davis. Per Commissioner Darcy, the Committee met on Wednesday, March 14th at the Corporate Office located at 626 West Jackson. Staff presented the Committee with the monthly Grants & Foundation and Treasury Report. During the month of January and February 2001, staff submitted twelve (12) grant proposals to public, private and corporate foundations, totaling approximately \$3 million. During this reporting period, \$400,000 was received from the MacArthur Foundation for a land-use plan and to help support the Relocation Rights Contract training. For the period ending February 28, 2001, the Authority's portfolio totaled \$102,068 million, which is slightly higher than was projected. This increase cash balance is primarily due to less than expected spending from Capital and Development.

Commissioner Darcy then introduced an Omnibus Motion for the adoption of Items A1 and A2 recommended for approval by the Finance and Audit Committee.

(Item A1)

The resolution for Item A1 requests approval of insurance coverage for CHA's Private Managers Insurance Program (PMIP). Near North Insurance Brokerage, Inc. (NNIB) was previously selected as the Administrator/Broker of record for CHA's PMIP for the period of January 1998 through December 2001. In January 2001, an RFP was advertised seeking quotes to renew the Primary General Liability & Excess Liability, Auto Liability, Workers Compensation, Crime/Fidelity and Directors & Officers insurance coverage for CHA's PMIP. Of the two proposals received, Midwestern Risk was deemed as the only responsive and responsible bidder for Primary General/Excess Liability and Workers Compensation coverage. Accordingly, the Authority secured approval from HUD to allow NNIB to procure Auto, Crime/Fidelity and Director's & Officers coverage by non-competitive proposals from the incumbent insurance carriers.

RESOLUTION NO. 2001-CHA-37

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated March 6, 2001 entitled "Authorization to approve insurance coverage for CHA's Private Managers Insurance Program (PMIP)."

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners of the Chicago Housing Authority authorizes the Chief Executive Officer or his designee to procure through Near North Insurance Brokerage, Inc. ("NNIB"), its Administrator/Broker of record for the CHA's Private Managers Insurance Program (the "PMIP"), the following required insurance coverage for the PMIP: (1) Primary General Liability & Excess Liability, (2) Auto Liability, (3) Workers Compensation, (4) Crime/Fidelity and (5) Directors & Officers (RMCs only), for a total amount of premiums not-to-exceed \$1,751,060 for a one-year period of April 1, 2001 to March 31, 2002 and to secure the right for two successive one year extension options, with the second extension option subject to the approval of HUD.

(Item A2)

Item A2 requests authorization to execute the FY2000 HOPE VI Revitalization Grant Agreement. In FY2000, CHA requested and was approved for \$35,000,000 in Revitalization funding for the development of 3,000 mixed-income units to replace 2,456 dilapidated units of public housing. The signing of the Grant Agreement and accompanying HUD forms memorializes and incorporates all documents relating to the grants including the February 2000 Notice of Funding Availability Application and subsequent documents.

RESOLUTION NO. 2001-CHA-38

WHEREAS, The Board of Commissioners has reviewed the memorandum dated March 5, 2001 "Authorization to execute FY2000 HOPE VI Revitalization Grant Agreement" and concurs with the recommendations contained therein;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to sign the FY 2000 HOPE VI Revitalization Grant Agreement for Madden Park/Wells/Wells Extension/Darrow Homes.

The Omnibus Motion to adopt Items A1 and A2 was seconded by Commissioner Gates and the voting was as follows:

Ayes:	Hallie Amey Mamie Bone Michael Darcy Rahm Emanuel Dr. Mildred Harris Andrew Mooney Sandra Young Earnest Gates
-------	--

Nays:	None
-------	------

There being no questions or discussion, Commissioner Emanuel thereupon declared said motion carried and said resolutions adopted. The report of the Finance and Audit Committee was also accepted in total.

Commissioner Gates then presented the Operations and Audit Committee report for the meeting held on Wednesday, March 14, 2001. Per Commissioner Gates, the Committee was presented with an update on Section 8 Management Assessment Program (SEMAP) scores. SEMAP scores are indicators used by HUD to evaluate the Section 8 Program. Staff presented the Committee with a synopsis and score of each indicator. Overall, staff estimates that the Section 8 Program will be rated a "high performer" by HUD due to CHAC's (administrators of the Section 8 Program) demonstrated compliance of meeting or exceeding the established goals.

Commissioner Gates then introduced an Omnibus Motion for the adoption of Items B1, B3 and B4, recommended for approval by the Operations and Facilities Committee.

(Item B1)

Section 3.04 of the current Resident Management Agreement between the Authority and the Dearborn Homes Resident Management Corporation (DHRMC) requires DHRMC to use a competitive procurement process that is subject to the approval of the CHA Purchasing and Contracts Department and Board of Commissioners for procurement over \$100,000. The resolution for Item B1 grants approval of the competitive procurement process held by the DHRMC for roof and masonry work. The cost of this project is approximately \$412,500 and will be paid from Dearborn Home's excess reserves.

RESOLUTION NO. 2001-CHA-39

WHEREAS, the Board of Commissioners has reviewed the memorandum dated February 20 2001 entitled "Approval of the competitive procurement process of Dearborn Homes Resident Management Corporation for roof and masonry work" and concurs with the recommendations contained therein;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners approves the competitive procurement process utilized by the Dearborn Homes Resident Management Corporation for roof and masonry work at 2910 & 2701 S. Dearborn, 2901 S. Federal and 2710 S. State and authorizes the award of this work to the recommended awardee, Oak Construction.

(Item B2 - This Number Not Used)

(Item B3)

The United States Department of Housing and Urban Development (HUD) has responsibility under the National Environmental Policy Act of 1969 for enforcement of the environmental responsibilities applicable to any and all of the HUD grant assistance awarded to the CHA, including that under the Moving to Work Demonstration Program. CHA's Plan for Transformation will require the CHA to have environmental reviews conducted of various project sites that will vary substantially in scope, depending on the nature and size of the project. The resolution for Item B3 grants approval to execute an Intergovernmental Agreement with the City of Chicago acting through its Department of the Environment (DOE) to perform environmental reviews in order to comply with Federal laws and regulations.

RESOLUTION NO. 2001-CHA-40

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated, March 2, 2001 "Authorizing the Chief Executive Officer or his designee to execute an Intergovernmental Agreement with the City of Chicago acting through its Department of the Environment".

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute an Intergovernmental Agreement with the City of Chicago acting through its Department of the Environment ("DOE") to perform environmental reviews in compliance with 24 CFR Part 58 in order to comply with Federal laws and regulations and made necessary by the CHA's Plan for Transformation approved as part of the Moving to Work Demonstration Agreement with HUD. A total amount not-to-exceed \$1,000,000 shall be authorized for the first two (2) years of this Intergovernmental Agreement.

(Item B4)

In November 1999, the Board of Commissioners granted approval to enter into a two-year contract with Peoples Energy Service, Inc. to purchase natural gas to take advantage of Wellhead gas prices and the potential gas savings pursuant to HUD's Rate Reduction incentive. Over the past six months, gas costs have risen as much as 350% of the original average estimates established in 1999, nearly exhausting the budgeted funds. It is estimated that the CHA will need to purchase an additional \$9,100,000 of Wellhead natural gas supplies for the remaining contract period. Increasing the contract amount, under the existing contract, would allow the CHA to continue realizing significant savings as opposed to what it would have to pay for gas supplies by purchasing from the local utility.

RESOLUTION 2001-CHA-41

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated March 13, 2001 entitled "Authorization to modify Contract No. 9311 with Peoples Energy Service Corporation" for the purpose of continuing the CHA's purchases of Wellhead natural gas supplies.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to modify Contract No. 9311 with Peoples Energy Service Corporation to increase the total not to exceed contract amount by an additional \$9,100,000 for the remaining contract period of March 1, 2001 to October 31, 2001, subject to HUD's approval.

(Item B5 - Pulled)

The Omnibus Motion to adopt Items B1, B3 and B4 was seconded by Commissioner Young and the voting was as follows:

Ayes:	Hallie Amey Mamie Bone Michael Darcy Rahm Emanuel Dr. Mildred Harris Andrew Mooney Sandra Young Earnest Gates
-------	--

Nays:	None
-------	------

There being no questions or discussion, Commissioner Emanuel thereupon declared said motion carried and said resolutions adopted. The report of the Operations and Facilities Committee was also accepted in total.

Commissioner Young then introduced an Omnibus Motion for the adoption of Items C1 through C3 discussed, voted and recommended for approval by the Tenant Services Committee that met on Wednesday, March 14, 2001.

(Item C1)

Pursuant to the provisions of the Moving to Work Agreement, the Board approved the Relocation Rights Contract in August 2000. The Relocation Rights Contract set forth the rights and responsibilities between the CHA and residents who were in occupancy on 10-1-99 in the event of permanent or temporary relocation. The resolution for Item C1 requests approval of the CHA Relocation Rights Contract for families with initial occupancy after 10-1-99. The Post 10-1-99 Contract is similar to the Relocation Rights Contracts in many ways. While the Relocation Rights Contract provides lease-compliant leaseholders with a right to return to public housing, the Post 10-1-99 contract only provides lease-compliant leaseholders with a preference on CHA's waiting lists over new admission.

RESOLUTION NO. 2001-CHA-42

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated February 1, 2001 requesting approval of the CHA Relocation Rights Contract for families with initial occupancy after 10-1-99;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners adopts the attached CHA Relocation Rights Contract for families with initial occupancy after 10-1-99.

THAT, this CHA Relocation Rights Contract for families with initial occupancy after 10-1-99 supersedes all conflicting language found in existing CHA policies and procedures including the recently board-approved Admissions and Occupancy Policy.

(Item C2)

The CHA submitted a proposal to the MacArthur Foundation for the purpose of training CHA employees, private management firms and the CAC on the Lease and Relocation Rights Contract. MacArthur, recognizing the need for this extensive training, awarded a grant to CHA in the amount of \$200,000 in accordance with CHA's proposal and submitted budget. The resolution for Item C2 requests authorization to accept the award of this private grant and enter into an agreement with ABT Associates to develop training material and conduct the required training sessions.

RESOLUTION NO. 2001-CHA-43

WHEREAS, the Board of Commissioners has reviewed Board Letter dated March 2, 2001 entitled "Authorization to accept an award of a private grant and to enter into an agreement with ABT Associates, Inc.".

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to: (1) accept an award of a Grant from the John D. and Catherine T. MacArthur Foundation in the amount of \$200,000; and (2) enter into a contract with ABT Associates, Inc. to develop training materials and conduct training for Chicago Housing Authority employees, private management firms and the Central Advisory Council on the CHA Leaseholder Relocation Rights Contract and the Residential Lease Agreement for an amount not to exceed \$180,411 for the period of April 1, 2001 to September 30, 2001, or until such training is completed.

(Item C3)

In June 2000, the Board approved a contract term of six months for Windows of Opportunity. The scope of service within this contract provided that Windows raise private funding for existing and new resident initiatives; and to serve as fiscal agent for grants that serve CHA communities. Windows is currently undergoing a transition process to explore strategies to expand its support to CHA communities and residents. Due to a late start on the initial contract and the length of the transition process, the resolution for Item C3 approves a four-month extension.

Commissioner Bone recused from voting on this item.

RESOLUTION NO. 2001-CHA-44

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated January 22, 2001 entitled "Authorization to extend the Windows of Opportunity, Inc. contract";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners of the Chicago Housing Authority hereby approves the extension of the Windows of Opportunity contract from December 1, 2000 through March 31, 2001.

The Omnibus Motion to adopt Items C1 through C3 was seconded by Commissioner Gates and the voting was as follows:

Ayes:	Hallie Amey
	Mamie Bone
	Michael Darcy
	Rahm Emanuel
	Dr. Mildred Harris
	Andrew Mooney
	Sandra Young
	Earnest Gates

Nays:	None
-------	------

There being no questions or discussion, Commissioner Emanuel thereupon declared said motion carried and said resolutions adopted.

The Minutes of the following meetings were then unanimously approved:

Special Board Meeting of February 7, 2001
Regular Board Meeting of February 20, 2001

There being no further business to come before the Commissioners, upon motion made, seconded and carried, the meeting of the CHA Board of Commissioners was adjourned.

s/b: Sharon Gist Gilliam
Chairperson

s/b: Lee Gill
Custodian and Keeper of Records